

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

1200 19TH STREET, N W

SUITE 500

WASHINGTON, D.C. 20036

(202) 955-9600

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(202) 955-9792

T.R.A. DOCKET ROOM www.kelleydrye.com

DIRECT LINE (202) 955-9667

EMAIL mconway@kelleydrye.com

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March 19, 2004

VIA UPS

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Application for Approval of the Merger of NewSouth Holdings, Inc. and
NuVox, Inc. – **Docket No. 04-00082 – Responses to Data Request No. 1**

Dear Mr. Waddell:

On March 8, 2004, the Tennessee Regulatory Authority (“TRA”) received the above-captioned application for approval of the merger of NewSouth Holdings, Inc. and NuVox, Inc. (“Applicants”). The Applicants, by their attorneys, hereby file these responses to Data Request No. 1 dated March 15, 2004.

- 1. Have NuVox, Inc. and NewSouth Holdings, Inc. petitioned for approval in the other states in which each company does business? What is the status of these filings?**

Yes, the Applicants have petitioned for approval in other states, where required. The Applicants have made joint filings for approval in the following states: Louisiana (pending) and North Carolina (pending). NuVox, Inc. has filed for approval in the following states: California (Advice Letter filing pending) and New York (pending). NewSouth Holdings, Inc. has filed for approval in the following states: Delaware (complete) and Virginia (pending).

2. **The petition states that NuVox is authorized by the FCC to provide domestic interstate and international communications. Have the Companies filed this petition with the FCC or any other federal agency such as the SEC? What is the status of its filing? If so, please provide a copy.**

The Applicants filed applications for approval of the merger with the FCC on March 3, 2004. These applications currently are pending. Copies of these filings are appended hereto as *Attachment A*. Applicants have not made any SEC filings in connection with the merger. The Applicants notified the FTC and DOJ of the proposed merger on February 26, 2004. The required waiting period pursuant to the Clayton Act commenced on February 26, 2004 and expires on March 29, 2004, unless extended by a request of additional information or the grant of early termination.

3. **Should this filing also be filed under Tennessee Code Annotated §65-4-109?**

No, this filing should not be filed under Tennessee Code Ann. §65-4-109. The application is a request for approval of merger and does not discuss any financing or evidence of indebtedness by the entities authorized to provide service in Tennessee. Moreover, pursuant to Op. Atty. Gen. 99-119 (May 14, 1999), Section 65-4-109 is proscribed because the Applicants have multi-state operations. The application of state regulation would create a cumulative burden for the utilities involved since the Applicants are multi-state carriers that have operations in several states.

4. **Is there a date that a decision needs to be rendered by the Authority?**

The Applicants would like to consummate the transaction described in the application as soon as the necessary regulatory approvals are obtained. The Applicants anticipate that they will have the majority of the state regulatory approvals by May 1, 2004, and request that the TRA approve its application by that date.

5. **Is all the common stock being issued for the merger, only, and none will be issued for any other purpose, such as refinancing of debt etc.?**

Yes, all the common stock is being issued for the merger.

6. **Is there any customer notification letter being planned?**

The Applicants have notified customers of the execution of the merger agreement on a previous billing statement. It is anticipated that the Applicants will notify customers of consummation of the merger.

7. **Provide any facts or changes pertinent to the petition, customers, or approval process that have appeared since the filing or may appear during the consideration of this petition. Failure to provide this information may result in a decision that the filing is incomplete.**

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
March 19, 2004
Page Three

The Applicants will update the TRA with any further information during the pendency of their application relevant to the TRA's approval of the merger.

Enclosed please find thirteen (13) copies of this filing and a duplicate copy. Also enclosed is a self-addressed, postage-paid envelope. Please date-stamp the duplicate upon receipt and return it in the envelope provided. Should you have any questions concerning this matter, please contact the undersigned at (202) 955-9667.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Melissa Conway", written in a cursive style.

Melissa S. Conway
Counsel to Applicants

Enclosures

cc: David McClanahan

ATTACHMENT A

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

TYSONS CORNER

8000 TOWERS CRESCENT DRIVE

SUITE 1200

VIENNA, VIRGINIA 22182

(703) 918-2300

FACSIMILE

(703) 918-2450

www.kelleydrye.com

NEW YORK, NY

WASHINGTON, DC

LOS ANGELES, CA

CHICAGO, IL

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March 3, 2004

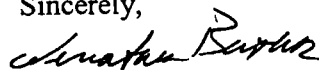
Federal Communications Commission
Wireline Competition Bureau – CPD – 214 Appls.
P.O. Box 358145
Pittsburgh, PA 15251-5145

Re: NEWSOUTH COMMUNICATIONS CORP., NUVOX, INC., And NUVOX
COMMUNICATIONS, INC Application For Consent To Transfer Control
Of Companies Holding Blanket Domestic Section 214 Authority Pursuant
To Section 214 Of The Communications Act

Enclosed for filing with the Commission, please find an original and five copies of the above-captioned application. The Parties request authority for the transfer of control of companies that hold blanket authority under Section 214 of the Act to provide domestic interstate telecommunications services. (Related applications for authority to transfer control of those companies holding international Section 214 licenses are being filed today via the International Bureau's electronic filing system.)

Remittance Form 159 and a check to cover the \$860 filing fee for this application are appended. An additional copy of this filing for date-stamp and return to the delivering courier has been provided as well. If there are any questions regarding this application, please contact Joan M. Griffin at (703) 918-2320. Thank you in advance for your assistance with this matter.

Sincerely,



Winafred Brantl

enclosures

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

**NEWSOUTH COMMUNICATIONS CORP.,
NUVOX, INC., And
NUVOX COMMUNICATIONS, INC.**

WCB Docket No. _____

**Application For Consent To Transfer
Control Of Companies Holding
Blanket Domestic Section 214 Authority
Pursuant To Section 214 Of The
Communications Act**

APPLICATION FOR TRANSFER OF CONTROL

NewSouth Holdings, Inc. ("Holdings") and its wholly-owned subsidiary, NewSouth Communications Corp. ("NewSouth Communications"), and NuVox, Inc. ("NuVox") and its wholly-owned indirect subsidiary, NuVox Communications, Inc. ("NuVox Communications") (Holdings, NewSouth Communications, NuVox, and NuVox Communications, collectively the "Parties"), pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act")¹ and Section 63.04 of the Commission's Rules,² hereby request the Commission's consent, to the extent necessary, to the transfer of control of NuVox, NuVox Communications, and NewSouth Communications (collectively, the "Carriers") resulting from a proposed merger of equals transaction more fully described below. The Carriers currently provide domestic interstate telecommunications services pursuant to blanket domestic Section 214 authority.

¹ 47 U.S.C. § 214.

² 47 CFR § 63.04.

Pursuant to an Agreement and Plan of Merger dated as of February 24, 2004 ("Agreement"), by and among NuVox, Holdings, and NS Transition Corp. (a newly-formed, wholly-owned Delaware shell subsidiary of NuVox), NS Transition Corp. will be merged with and into Holdings, with Holdings surviving and becoming a direct, wholly-owned subsidiary of NuVox. As consideration for the merger, each Holdings shareholder will receive shares of NuVox voting common stock at a specified exchange ratio that will provide them with approximately 50 percent of the equity and voting rights in NuVox following the merger.³ The existing NuVox shareholders will retain their shares and will hold the remaining 50 percent.

At present, the voting and equity interests of both Holdings and NuVox are held by numerous shareholders, and no single shareholder or group of affiliated shareholders of either company has the power on its own to elect a majority of its respective Board of Directors or to otherwise control or dominate its affairs. Following consummation of the proposed merger, three shareholder groups – NHSI Ventures LLC, Wachovia Capital Partners 2003, LLC and its affiliates, and M/C Venture Partners V, L.P. and its affiliates —will each hold 10 percent or more of the voting and equity interests in the combined company. Because Holdings and NuVox at present have certain overlapping shareholders, slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of Holdings, and slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of NuVox. In other words, current shareholders of Holdings (including shareholders who are also holders of the currently outstanding voting securities of NuVox) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of the ultimate parent of NewSouth Communications,

³ Each share of NuVox common stock has one (1) vote.

although the identity of that ultimate parent will change from Holdings to NuVox. Similarly, the current shareholders of NuVox (including shareholders who are also holders of the currently outstanding voting securities of Holdings) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of NuVox, which will be the ultimate parent of both NuVox Communications and NewSouth Communications.⁴ Accordingly, the proposed merger will not constitute a substantive transfer of control of any of the Carriers under the Act. Nevertheless, upon the advice of Commission staff, the Applicants are presenting this transaction to the Commission for its consideration and approval should such approval be deemed appropriate.⁵

As discussed below, the public interest is served by consummation of the merger contemplated by the Agreement. The merger will help ensure that the Carriers are viable long-term competitors to other carriers, most notably to the incumbent local exchange carriers. At the same time, the procompetitive benefits of the merger will not be diminished by any anticompetitive effects.⁶ The Carriers will continue to provide high-quality communications

⁴ Pursuant to the Agreement, the Parties have agreed that the initial Board of Directors of NuVox following the merger will consist of 13 members: 4 will be designated by current NuVox shareholders, 4 will be designated by current Holdings shareholders, and the remaining seats will be filled by the existing Chairman and Chief Executive Officer of NuVox, the existing President and Chief Executive Officer of Holdings, and 3 independent Directors (with 1 designated by NuVox shareholders, 1 designated by Holdings shareholders, and 1 selected by the Board). In subsequent elections following consummation of the merger, directors will be designated as provided above and pursuant to a Stockholders Agreement and elected by vote of the holders of the outstanding voting securities of NuVox pursuant to a voting agreement set forth in such Stockholders Agreement.

⁵ The Parties contend that the proposed merger will constitute a *pro forma* transfer of control of NewSouth Communications under the Commission's rules and policies. The Parties reserve the right to challenge any determination by the Commission that any or all of the merger transactions require prior approval.

services to their customers without interruption and without change in rates, terms or conditions.

The proposed transaction, therefore, serves the public interest, and is fully consistent with the Act and the Commission's Rules. As such, if the Commission determines that approval of the proposed transaction is required, the Parties request that the Commission grant this Application as expeditiously as possible.

Pursuant to Sections 63.04(a) of the Commission's Rules, the Parties set forth the following information in support of this Application:

- (1) The name, address, and telephone number of the Parties are as follows:

NewSouth Holdings, Inc. ("Holdings")
Two North Main Street
Greenville, SC 29601
(864) 672-5000

NewSouth Communications Corp. ("NewSouth Communications")
Two North Main Street
Greenville, SC 29601
(864) 672-5000

NuVox, Inc. ("NuVox")
16090 Swingley Ridge Road
Suite 500
Chesterfield, MO 63017
(636) 537-5700

NuVox Communications, Inc. ("NuVox Communications")
16090 Swingley Ridge Road
Suite 500
Chesterfield, MO 63017
(636) 537-5700

- (2) Holdings, NewSouth Communications, and NuVox are corporations organized under the laws of the State of Delaware. NuVox Communications is a corporation organized under the laws of the State of South Carolina.

- (3) Correspondence concerning this Application should be sent to:

If to Holdings or NewSouth Communications:

Keiki Hendrix
Executive Regulatory Administrator
NewSouth Communications Corp.
Two North Main Street
Greenville, SC 29601
Telephone: 864-672-5976
Fax: 864-672-5105
NSC_Regulatory@NewSouth.com

If to NuVox or NuVox Communications:

Hamilton E. Russell, III
Vice President – Southeast Legal and Regulatory Affairs
NuVox Communications, Inc.
301 North Main Street, Suite 5000
Greenville, SC 29601
Telephone: (864) 331-7323
Fax: (864) 331-1236

with copies of any correspondence to:

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive, Suite 1200
Vienna, VA 22182
Telephone: (703) 918-2300
Fax: (703) 918-2450
grifj@kelleydrye.com

- (4) It is anticipated that the following entities will hold 10 percent or more of the ownership interest in NuVox following consummation of the transactions contemplated by the Agreement.

NHSI Ventures. NHSI Ventures LLC (“Ventures”) is a Delaware limited liability company that will hold 17.5 percent of the voting and equity interests in NuVox after consummation of the merger. Ventures is currently a shareholder in Holdings; it has no other business interests. Ventures’ address is c/o Kohlberg Kravis Roberts & Co. L.P., 2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025. Ventures’ managing member and 98 percent owner is KKR 1996 Fund L.P., a Delaware limited partnership (“Fund L.P.”), located at 9 West 57th Street, New York, NY 10019. This is an investment fund with the two largest limited partnership interests of approximately 13 percent each being held by two state retirement funds. The sole general partner of Fund L.P. is KKR Associates 1996 L.P., a Delaware limited partnership (“Associates L.P.”) The sole general partner of Associates L.P. is KKR 1996 GP LLC, a Delaware limited liability company, whose managers are Henry R. Kravis and George R. Roberts. The address of each of the above-mentioned

individuals and entities other than Ventures is 9 West 57th Street, New York, NY 10019, and the principal business of each of the above-mentioned entities and individuals is investment. No other partner, general or limited, holds a 10 percent or greater interest in Fund L.P. All of the above entities are affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), a private investment firm that makes equity investments through various entities for itself and its shareholders. For additional information about KKR, please see its website at www.kkr.com.

Wachovia. Wachovia Capital Partners 2003, LLC ("WCP"), a North Carolina limited liability company, is a subsidiary of Wachovia Investors, Inc., a North Carolina corporation. The principal place of business of WCP and Wachovia Investors, Inc. is One Wachovia Center, 301 South College Street, Charlotte, NC. Wachovia Investors, Inc. is a wholly-owned subsidiary of Wachovia Corporation, a multi-bank holding company traded on the New York Stock Exchange under the WB symbol. WCP was created to own several investments on behalf of WCP. WCP and its affiliates will hold 11.5 percent of the voting and equity interests in NuVox after consummation of the merger.

M/C Partners. M/C Venture Partners V, L.P. ("MC Partners") is a Delaware limited partnership. Its address is 75 State Street, Suite 2500, Boston, MA 02109. Two state retirement funds hold a 13.6 percent and 11.8 percent interest respectively in MC Partners. MC Partners is controlled by its general partner, M/C VP V, L.L.C., a Massachusetts limited liability company located at the same address as MC Partners. The managers of M/C VP V, L.L.C. are James F. Wade, David D. Croll, Peter H.O. Claudy, John W. Watkins, John Van Hooser, John P. Ward, and Matthew J. Rubins. MC affiliates invested in NewSouth include Chestnut Venture Partners, L.P. ("Chestnut") and M/C Venture Investors L.L.C., both located at the same address as MC Partners. Chestnut is a Delaware limited partnership controlled by its general partner, Chestnut Street Partners, Inc., whose President and sole shareholder is David D. Croll. M/C Venture Investors is controlled by its managers: James F. Wade, David D. Croll, Peter H.O. Claudy, and Matthew J. Rubins. All of the above-mentioned individuals are U.S. citizens. The principal business of each of the above-mentioned individuals and entities is investment, and the address of each is 75 State Street, Suite 2500, Boston, MA 02109. MC Partners and its affiliates will hold 10.1 percent of the voting and equity interests in NuVox after consummation of the merger.

No other shareholders will hold 10 percent or more of the voting and equity interests in NuVox after consummation of the merger.

Diagrams showing the ownership structure of NuVox Communications and related parties before and after closing are provided in Attachment 1.

- (5) As evidenced by the signatures to this Application, the Parties certify that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

- (6) Pursuant to an Agreement and Plan of Merger dated as of February 24, 2004 ("Agreement"), by and among NuVox, Holdings, and NS Transition Corp. (a newly-formed, wholly owned Delaware shell subsidiary of NuVox), NS Transition Corp. will be merged with and into Holdings, with Holdings surviving and becoming a direct, wholly-owned subsidiary of NuVox. As consideration for the merger, each Holdings shareholder will receive shares of NuVox voting common stock at the specified exchange ratio that will provide them with approximately 50 percent of the equity and voting rights in NuVox following the merger. The existing NuVox shareholders will retain their shares and will hold the remaining 50 percent.

At present, the voting and equity interests of both Holdings and NuVox are held by numerous shareholders, and no single shareholder or group of affiliated shareholders of either company has the power on its own to elect a majority of its respective Board of Directors or to otherwise control or dominate its affairs. Following consummation of the proposed merger, three shareholder groups – NHSI Ventures LLC, Wachovia Capital Partners 2003, LLC, and M/C Venture Partners V, L.P.—will each hold 10 percent or more of the voting and equity interests in the combined company. Because Holdings and NuVox at present have certain common shareholders, slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of Holdings, and slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of NuVox. In other words, current shareholders of Holdings (including certain overlapping shareholders who are also holders of the currently outstanding voting securities of NuVox) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of the ultimate parent of NewSouth Communications, although the identity of that ultimate parent will change from Holdings to NuVox. Similarly, the current shareholders of NuVox (including certain overlapping shareholders who are also holders of the currently outstanding voting securities of Holdings) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of NuVox, which will be the ultimate parent of both NuVox Communications and NewSouth Communications. Accordingly, the proposed merger will not constitute a substantive transfer of control of any of the Carriers.

- (7) NewSouth Communications is a non-dominant, rapidly growing facilities-based integrated communications provider of voice and data telecommunications services to end-user business customers. NewSouth Communications primarily markets its services to small and medium-sized business customers in the southeast United States where it generally holds both local and interexchange authority granted by various states. NewSouth Communications will continue to provide these services following consummation of the transactions contemplated by the Agreement. Holdings is a holding company for NewSouth Communications' stock.

NuVox Communications is a non-dominant, rapidly growing facilities-based integrated communications provider of voice and data telecommunications services to small and medium-sized business customers. Through its various operating subsidiaries, including NuVox Communications, NuVox markets its services in 13

contiguous midwestern and southeastern states. NuVox and NuVox Communications will continue to provide these services following consummation of the transactions contemplated by the Agreement.

- (8) The streamlined processing procedures set forth in Section 63.03 of the Commission's Rules are presumed to apply to this Application because this Application satisfies the criteria set forth in Section 63.03(b)(2). The transaction proposed herein will result in the Carriers (and their affiliates) collectively having a market share in the interstate, interexchange market of less than 10 percent. Any competitive telephone exchange services or exchange access services provided by the Carriers (or their affiliates) will be provided exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Finally, none of the Carriers (including their affiliates) is dominant with respect to any service they provide.
- (9) Concurrent with the submission of this Application, the Parties are submitting transfer of control applications with respect to the international Section 214 authorizations held by NuVox, NuVox Communications, and NewSouth Communications.
- (10) The Parties are not requesting special consideration because one or more of the Parties is facing imminent business failure.
- (11) No separately filed waiver requests are being sought in connection with the proposed transaction.
- (12) As noted above, the Parties do not believe that this transaction involves an actual transfer of control. Nonetheless, even if the Commission determines that its approval is required, it is clear that the proposed transaction serves the public interest. The Parties share a common facilities-based serving strategy, customer focus and market footprint. The combination of these leading regional competitive telecommunications providers will create a combined company with double the scope and size of each of the existing companies and should enable the combined company to compete more effectively in the highly competitive market for telecommunications services. The combined company will benefit from increased economies of scale that will permit it to operate more efficiently and thus realize substantial financial synergies that should enable the combined company to increase its operating income and free cash flow. Given the difficulties with which the competitive telecommunications industry is now struggling, the creation of a larger, financially stronger telecommunications competitor would benefit American consumers.

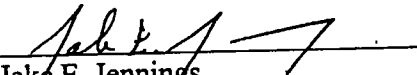
At the same time, the proposed merger does not present any anti-competitive issues. The Carriers are non-dominant carriers that will continue to compete with BellSouth and other larger entities, including AT&T, Sprint, MCI, ITC^DeltaCom and US LEC, in the local and long distance markets. They will continue to provide high-quality communications services to their customers without interruption and without change in rates, terms or conditions. The combination of the Carriers into one company will not have a negative impact on competition. In the geographic markets in which the operations of the Carriers overlap (*i.e.*, Georgia, South Carolina, North Carolina, Florida, Kentucky, and Tennessee), the combined market share of the Carriers in the local service market is less than 5 percent, and there are a number of other CLECs operating in each market, as well as the incumbent carrier, which in each market controls in excess of 90 percent.

For the foregoing reasons, the Parties respectfully request that the Commission grant this Application as expeditiously as possible.

Respectfully submitted,

NEWSOUTH HOLDINGS, INC.

By:

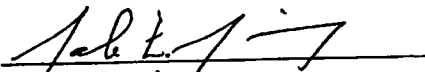

Jake E. Jennings
Senior Vice President – Regulatory Affairs
and Carrier Relations
NEWSOUTH HOLDINGS, INC.
Two North Main Street
Greenville, SC 29601
(864) 672-5313

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP

8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

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Greenville, SC 29601
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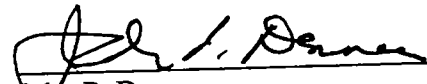
8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

NUVOX, INC.

By: 
John P. Denneen
Executive Vice President
NUVOX, INC.
16090 Swingley Ridge Road
Chesterfield, MO 63017
(636) 537-5700

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

NUVOX COMMUNICATIONS, INC.

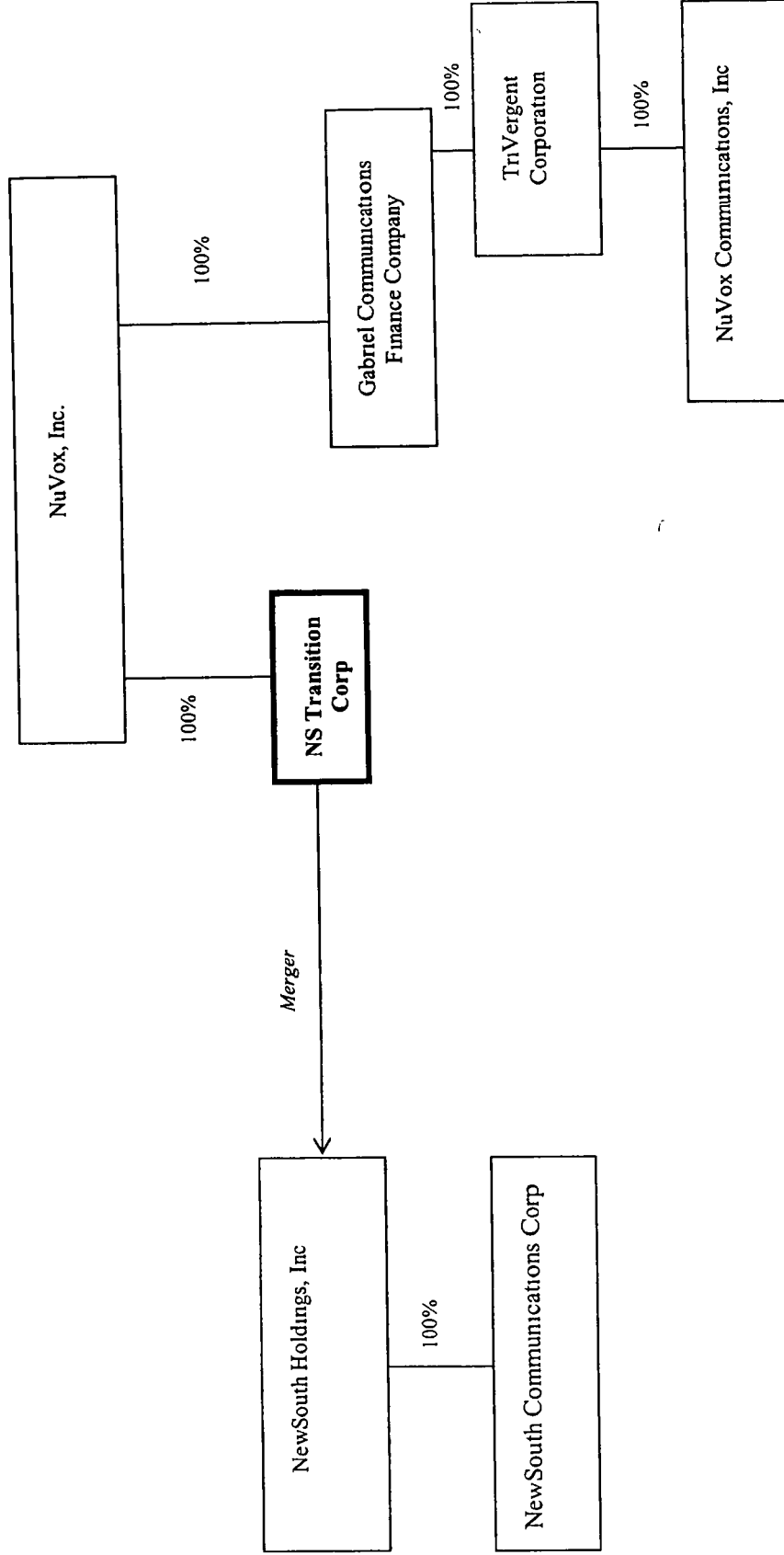
By: 
John P. Denneen
Executive Vice President
NUVOX COMMUNICATIONS, INC.
16090 Swingley Ridge Road
Chesterfield, MO 63017
(636) 537-5700

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

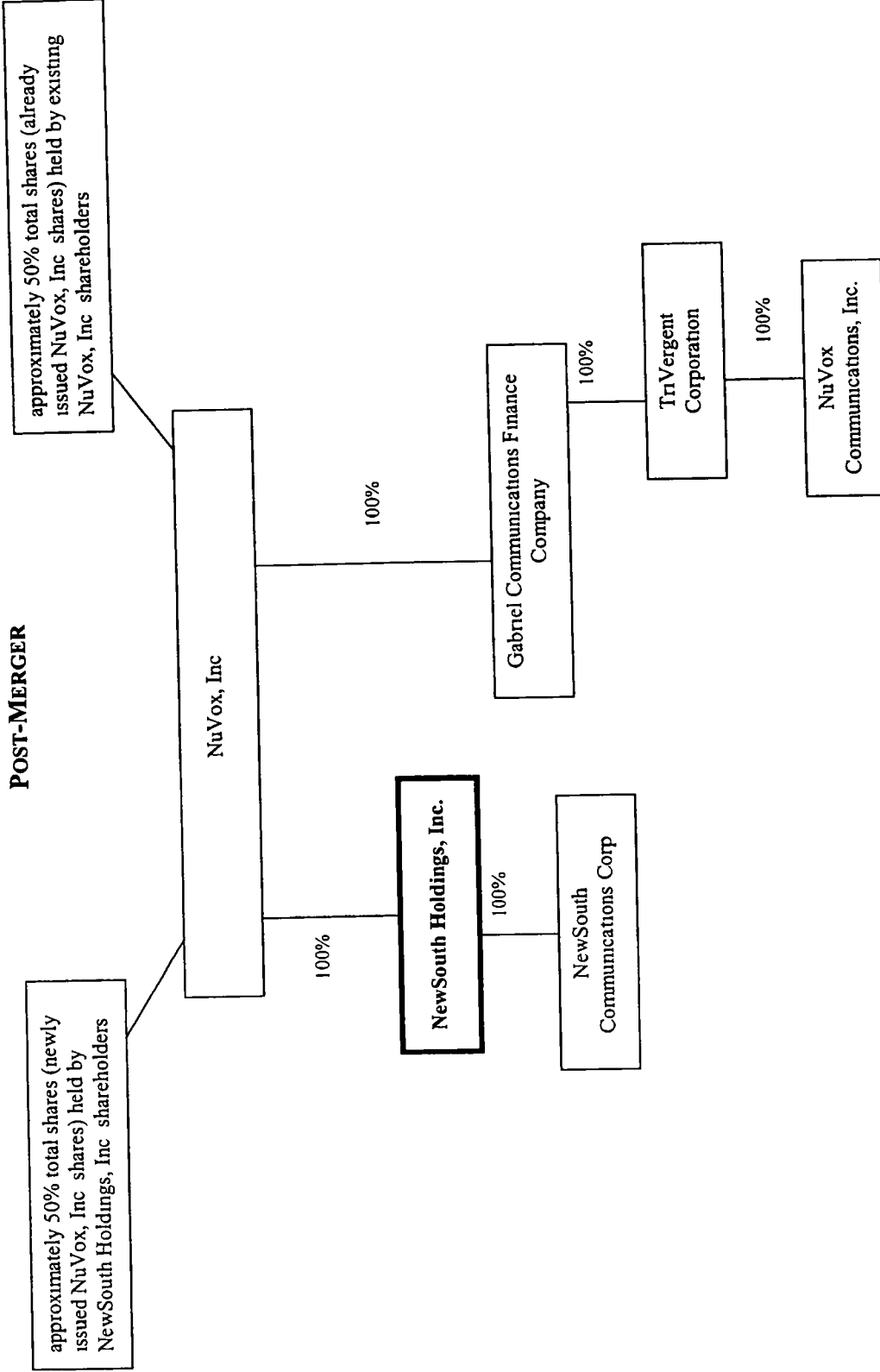
Their Attorneys

Date: March 3, 2004

**CORPORATE STRUCTURE
PRE-MERGER**



CORPORATE STRUCTURE POST-MERGER



READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 1

(1) LOCK BOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Kelley Dye & Warren LLP		(3) TOTAL AMOUNT PAID (U S Dollars and cents) \$860.00	
(4) STREET ADDRESS LINE NO 1 8000 Towers Crescent Drive			
(5) STREET ADDRESS LINE NO 2 Suite 1200			
(6) CITY Vienna		(7) STATE VA	(8) ZIP CODE 22182
(9) DAYTIME TELEPHONE NUMBER (include area code) 703-918-2320		(10) COUNTRY CODE (if not in U S A)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0006554778		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME NewSouth Communications Corp.			
(14) STREET ADDRESS LINE NO 1 Two North Main Street			
(15) STREET ADDRESS LINE NO 2			
(16) CITY Greenville		(17) STATE SC	(18) ZIP CODE 29601
(19) DAYTIME TELEPHONE NUMBER (include area code) (864) 672-5000		(20) COUNTRY CODE (if not in U S A)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0009319414		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$860.00	(27A) TOTAL FEE \$860.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>WINADNER BROWN</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Winadner Brown</u>		DATE <u>5/3/04</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described			
SIGNATURE _____		DATE _____	

KELLEY DRYE & WARREN LLP
8000 TOWERS CRESCENT DR STE 1200
VIENNA, VA 22182

1183

68-760/560
BRANCH 08577

DATE March 2, 2004


PAY
TO THE
ORDER OF

Federal Communications Commission

\$ 860.00

Eight hundred sixty and no/100-----

DOLLARS

 Security features
included
Details on back

**FIRST
UNION**

First Union National Bank
firstunion.com
Org. 007 R/T 056007604



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DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW. IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.
KELLEY DRYE & WARREN LLP

APPLICATION FOR TRANSFER OF CONTROL

Pursuant to an Agreement and Plan of Merger dated as of February 24, 2004 ("Agreement"), by and among NuVox, Inc. ("NuVox"), Holdings, and NS Transition Corp. (a newly-formed, wholly-owned Delaware shell subsidiary of NuVox), NS Transition Corp. will be merged with and into Holdings, with Holdings surviving and becoming a direct, wholly-owned subsidiary of NuVox.³ As consideration for the merger, each Holdings shareholder will receive shares of NuVox voting common stock at a specified exchange ratio that will provide them with approximately 50 percent of the equity and voting rights in NuVox following the merger.⁴ The existing NuVox shareholders will retain their shares and will hold the remaining 50 percent.

At present, the voting and equity interests of both Holdings and NuVox are held by numerous shareholders, and no single shareholder or group of affiliated shareholders of either company has the power on its own to elect a majority of its respective Board of Directors or to otherwise control or dominate its affairs. Following consummation of the proposed merger, three shareholders – NSHI Ventures LLC, Wachovia Capital Partners 2003, LLC and its affiliates, and M/C Venture Partners V, L.P. and its affiliates – will each hold 10 percent or more of the voting and equity interests in the combined company. Because Holdings and NuVox at present have certain overlapping shareholders, slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of Holdings, and slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of NuVox. In other words, current

³ NuVox as well as NuVox Communications, Inc., currently an indirect, wholly-owned subsidiary of NuVox, also hold international Section 214 authority. Applications for authority to transfer control of these companies are being filed concurrent with the submission of this Application.

⁴ Each share of NuVox common stock has one (1) vote.

shareholders of Holdings (including shareholders who are also holders of the currently outstanding voting securities of NuVox) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of the ultimate parent of NewSouth Communications, although the identity of that ultimate parent will change from Holdings to NuVox. Similarly, the current shareholders of NuVox (including shareholders who are also holders of the currently outstanding voting securities of Holdings) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of NuVox, which will be the ultimate parent of NewSouth Communications.⁵ Accordingly, the proposed merger will not constitute a substantive transfer of control of NewSouth Communications under the Act. Nevertheless, upon the advice of Commission staff, the Parties are presenting this transaction to the Commission for its consideration and approval should such approval be deemed appropriate.⁶

Pursuant to Sections 63.24(e)(2) and 63.18 of the Commission's Rules, the Parties set forth the following information in support of this Application:

⁵ Pursuant to the Agreement, the Parties have agreed that the initial Board of Directors of NuVox following the merger will consist of 13 members: 4 will be designated by current NuVox shareholders, 4 will be designated by current Holdings shareholders, and the remaining seats will be filled by the existing Chairman and Chief Executive Officer of NuVox, the existing President and Chief Executive Officer of Holdings, and 3 independent Directors (with 1 designated by NuVox shareholders, 1 designated by Holdings shareholders, and 1 selected by the Board). In subsequent elections following consummation of the merger, directors will be designated as provided above and pursuant to a Stockholders Agreement and elected by vote of the holders of the outstanding voting securities of NuVox pursuant to a voting agreement set forth in such Stockholders Agreement.

⁶ The Parties contend that the proposed merger will constitute a *pro forma* transfer of control of NewSouth Communications under the Commission's rules and policies. If the Commission finds that the proposed transaction is indeed a *pro forma* transfer of control of NewSouth Communications, the Parties ask that the Commission consider this Application to satisfy the notification requirements under Section 63.24(f) of the Commission's Rules. The Parties reserve the right to challenge any determination by the Commission that any or all of the merger transactions require prior approval.

- (a) Relevant names, addresses, and telephone numbers:

NewSouth Holdings, Inc ("Holdings")
Two North Main Street
Greenville, SC 29601
(864) 672-5000

NewSouth Communications Corp. ("NewSouth Communications")
Two North Main Street
Greenville, SC 29601
(864) 672-5000

NuVox, Inc. ("NuVox")
16090 Swingley Ridge Road
Suite 500
Chesterfield, MO 63017
(636) 537-5700

- (b) Holdings, NewSouth Communications, and NuVox are corporations organized under the laws of the State of Delaware
- (c) Correspondence concerning this Application should be sent to:

If to Holdings or NewSouth Communications:

Keiki Hendrix
Executive Regulatory Administrator
NewSouth Communications Corp.
Two North Main Street
Greenville, SC 29601
Telephone: 864-672-5976
Fax: 864-672-5105
NSC_Regulatory@NewSouth.com

If to NuVox:

Hamilton E. Russell, III
Vice President – Southeast Legal and Regulatory Affairs
NuVox Communications, Inc.
301 North Main Street, Suite 5000
Greenville, SC 29601
Telephone: (864) 331-7323
Fax: (864) 331-1236

with copies of any correspondence to:

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive, Suite 1200
Vienna, VA 22182
Telephone: (703) 918-2300
Fax: (703) 918-2450
grfj@kelleydrye.com

- (d) NewSouth Communications was authorized to provide switched and private-line services on a facilities-based and resale basis pursuant to the authorization listed in File No. ITC-214-19980310-00178. NuVox was authorized to provide switched and private-line services on a facilities-based and resale basis pursuant to the authorization listed in File No. ITC-214-19990323-00165; its wholly-owned, indirect subsidiary, NuVox Communications, Inc., was authorized to provide switched and private-line services on a resale basis pursuant to the authorization listed in File No. ITC-214-19991119-00742. Holdings does not hold international Section 214 authority.
- (e) Not applicable.
- (f) Not applicable.
- (g) Not applicable
- (h) Following consummation of the transactions contemplated by the Agreement, Holdings will hold 100 percent of the equity and voting interests in NewSouth Communications. Holdings is a Delaware corporation that is a holding company; its address is Two North Main Street, Greenville, SC 29601. NuVox will hold 100 percent of the equity and voting interests in Holdings. NuVox is a Delaware corporation whose principal business is the provision of voice and data telecommunications services to small and medium-sized business customers. Its address is 16090 Swingley Ridge Road, Suite 500, Chesterfield, MO 63017.

The following entities will hold a 10 percent or greater ownership interest in NuVox after consummation of the merger.

NSHI. NSHI Ventures LLC ("Ventures") is a Delaware limited liability company that will hold 17.5 percent of the voting and equity interests in NuVox after consummation of the merger. Ventures is currently a shareholder in Holdings; it has no other business interests. Ventures' address is c/o Kohlberg Kravis Roberts & Co. L.P., 2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025. Ventures' managing member and 98 percent owner is KKR 1996 Fund L.P., a Delaware limited partnership ("Fund L.P."), located at 9 West 57th Street, New York, NY 10019. This is an investment fund with the two largest limited partnership interests of

approximately 13 percent each being held by two state retirement funds. The sole general partner of Fund L.P. is KKR Associates 1996 L.P., a Delaware limited partnership ("Associates L.P.") The sole general partner of Associates L.P. is KKR 1996 GP LLC, a Delaware limited liability company, whose managers are Henry R. Kravis and George R. Roberts. The address of each of the above-mentioned individuals and entities other than Ventures is 9 West 57th Street, New York, NY 10019, and the principal business of each of the above-mentioned entities and individuals is investment. No other partner, general or limited, holds a 10 percent or greater interest in Fund L.P. All of the above entities are affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), a private investment firm that makes equity investments through various entities for itself and its shareholders. For additional information about KKR, please see its website at www.kkr.com.

Wachovia. Wachovia Capital Partners 2003, LLC ("WCP"), a North Carolina limited liability company, is a subsidiary of Wachovia Investors, Inc., a North Carolina corporation. The principal place of business of WCP and Wachovia Investors, Inc. is One Wachovia Center, 301 South College Street, Charlotte, NC. Wachovia Investors, Inc. is a wholly-owned subsidiary of Wachovia Corporation, a multi-bank holding company traded on the New York Stock Exchange under the WB symbol. WCP was created to own several investments on behalf of WCP. WCP and its affiliates will hold 11.5 percent of the voting and equity interests in NuVox after consummation of the merger.

M/C Partners. M/C Venture Partners V, L.P. ("MC Partners") is a Delaware limited partnership. Its address is 75 State Street, Suite 2500, Boston, MA 02109. Two state retirement funds hold a 13.6 percent and 11.8 percent interest respectively in MC Partners. MC Partners is controlled by its general partner, M/C VP V, L.L.C., a Massachusetts limited liability company located at the same address as MC Partners. The managers of M/C VP V, L.L.C. are James F. Wade, David D. Croll, Peter H.O. Claudy, John W. Watkins, John Van Hooser, John P. Ward, and Matthew J. Rubins. MC affiliates invested in NewSouth include Chestnut Venture Partners, L.P. ("Chestnut") and M/C Venture Investors L.L.C., both located at the same address as MC Partners. Chestnut is a Delaware limited partnership controlled by its general partner, Chestnut Street Partners, Inc., whose President and sole shareholder is David D. Croll. M/C Venture Investors is controlled by its managers: James F. Wade, David D. Croll, Peter H.O. Claudy, and Matthew J. Rubins. All of the above-mentioned individuals are U.S. citizens. The principal business of each of the above-mentioned individuals and entities is investment, and the address of each is 75 State Street, Suite 2500, Boston, MA 02109. MC Partners and its affiliates will hold 10.1 percent of the voting and equity interests in NuVox after consummation of the merger.

No other shareholders will hold 10 percent or more of the voting and equity interests in NuVox after consummation of the merger.

Diagrams showing the ownership structure of the Parties before and after closing are provided in Attachment 1.

It is not currently anticipated that there will be any interlocking directorates with foreign carriers. NewSouth Communications will amend or supplement this Application if any interlocking directorates are selected.

- (i) As evidenced by the signatures to this Application, the Parties certify that following consummation of the transactions contemplated by the Agreement, NewSouth Communications will not be a foreign carrier, nor will NewSouth Communications be affiliated with a foreign carrier.
- (j) As evidenced by the signatures to this Application, the Parties certify that following consummation of the transactions contemplated by the Agreement and with respect to each country to which NewSouth Communications is authorized to provide service, 1) NewSouth Communications is not a foreign carrier in that country; 2) NewSouth Communications will not control a foreign carrier in that country; 3) no entity that will own more than 25 percent of NewSouth Communications, or will control NewSouth Communications, controls a foreign carrier in that country; and 4) two or more foreign carriers (or parties that control foreign carriers) which are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the U.S. will not own, in the aggregate, more than 25 percent of NewSouth Communications.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) As evidenced by the signatures to this Application, the Parties certify that no party to this Application will accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market, and no party to this Application will enter into such agreements in the future.
- (o) As evidenced by the signatures to this Application, the Parties certify that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

- (p) Streamlined processing is requested for this Application. This Application is eligible for streamlined processing under Section 63.12 of the Commission's Rules because 1) there are no affiliations with foreign carriers, 2) there are no affiliations with dominant U.S. foreign carriers whose international switched or private line services will be resold, and 3) no authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines is requested in this Application.

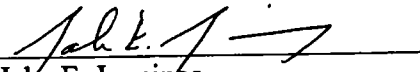
Assuming that the transactions described herein constitute a substantive transfer of control requiring Commission approval, the Parties represent that control will not transfer unless and until the Commission grants the related domestic and international Section 214 applications for transfer of control authority, and agrees that streamlined grant of this Application will in no way prejudice the outcome of the related transfer applications. *See* "International Authorizations Granted," Report No. TEL-00495, DA No. 02-358, released February 14, 2002, at 2 (grant of CEI Networks, Inc. transfer of control application in File No. ITC-T/C-20011227-00655).

For the foregoing reasons, the Parties respectfully request that the Commission grant this Application as expeditiously as possible.

Respectfully submitted,

NEWSOUTH HOLDINGS, INC.

By:

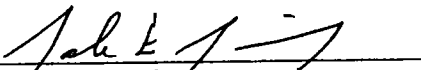

Jake E. Jennings
Senior Vice President – Regulatory Affairs
and Carrier Relations
NEWSOUTH HOLDINGS, INC.
Two North Main Street
Greenville, SC 29601
(864) 672-5313

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP

8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

NEWSOUTH COMMUNICATIONS, INC.

By:


Jake E. Jennings
Senior Vice President – Regulatory Affairs
and Carrier Relations
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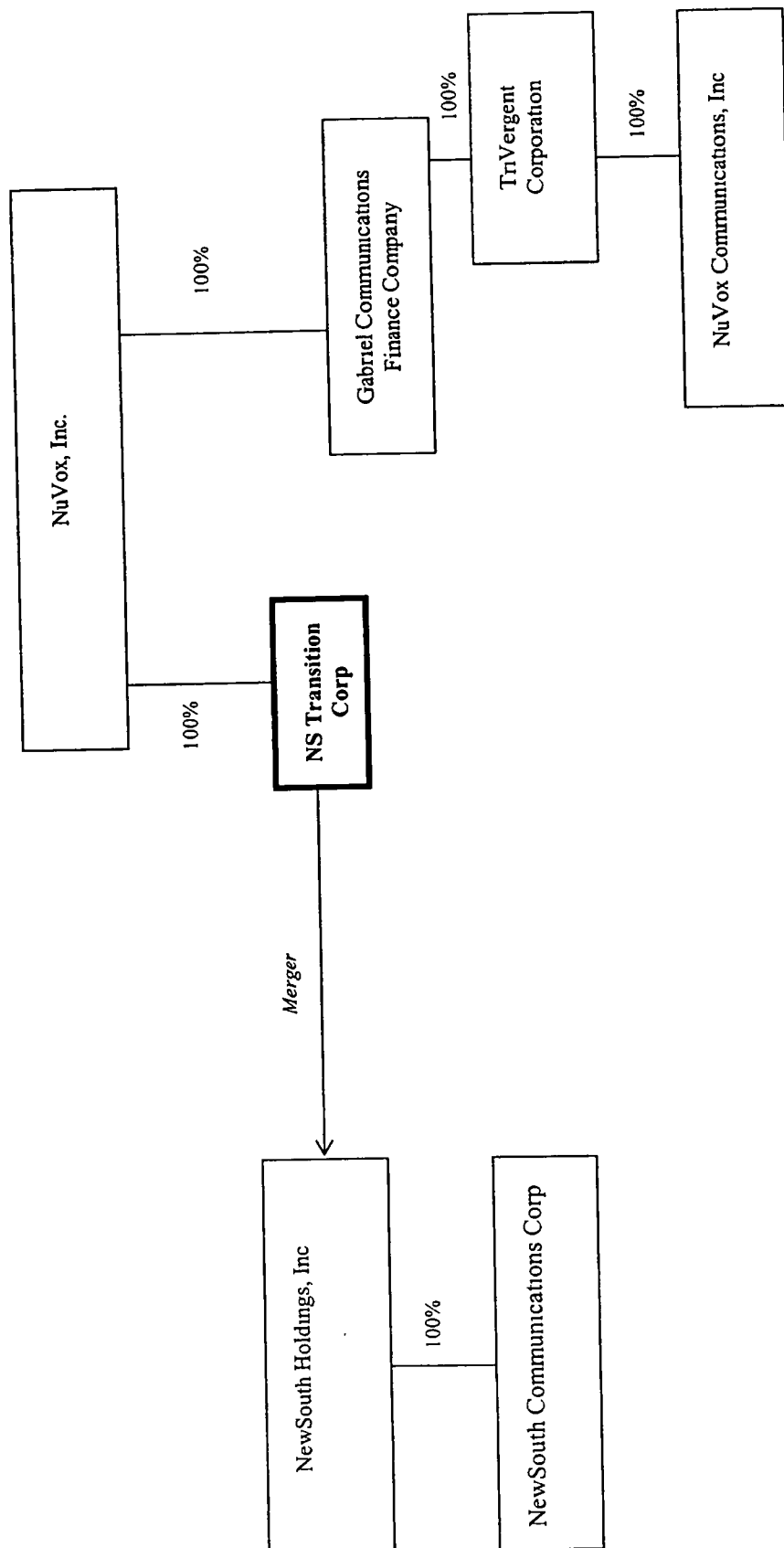
Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP

8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

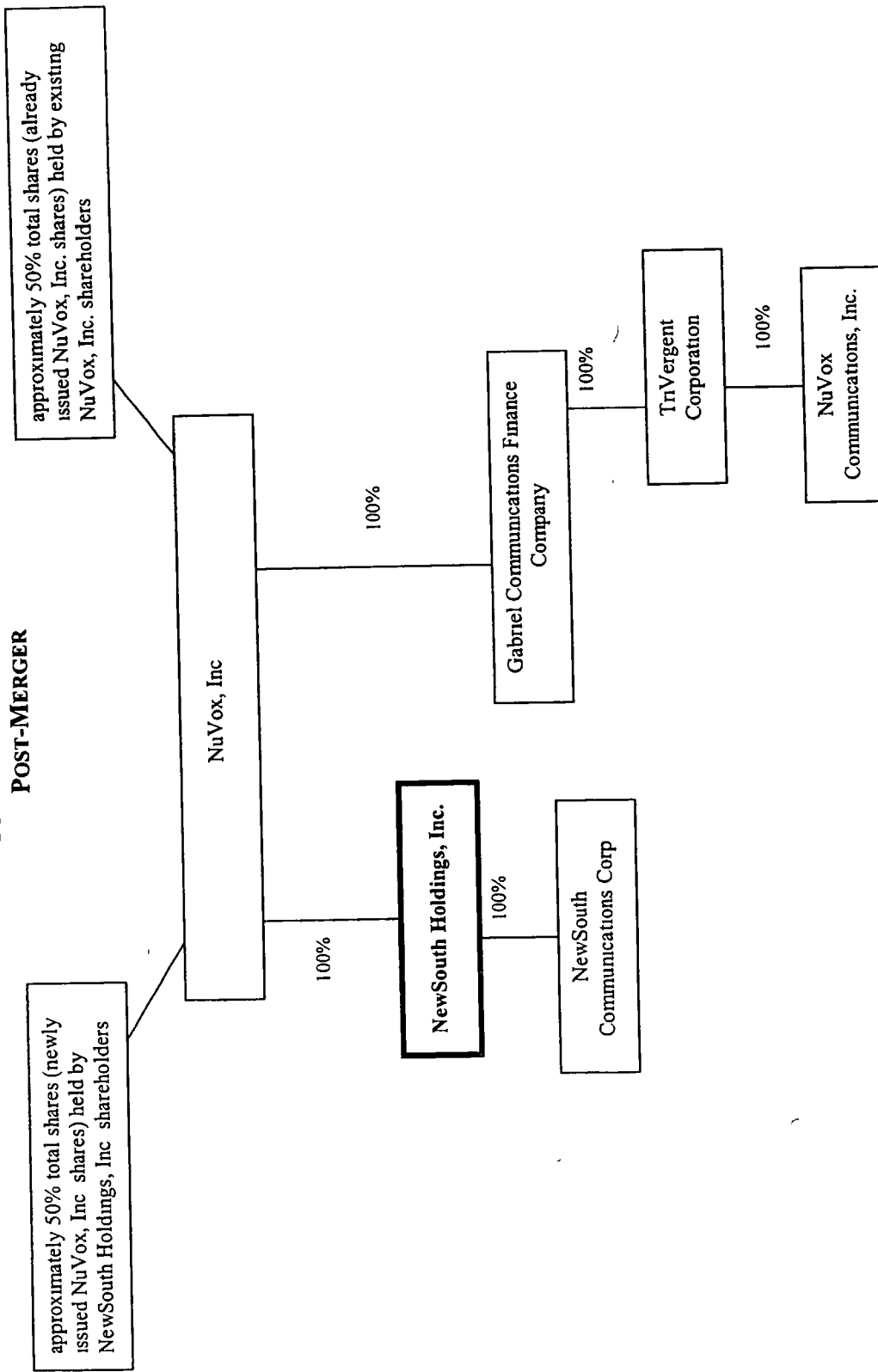
Their Attorney

Date: March 3, 2004

**CORPORATE STRUCTURE
PRE-MERGER**



CORPORATE STRUCTURE POST-MERGER



² 47 CFR § 63.24.

Communications), a direct, wholly-owned subsidiary of Holdings which also holds international Section 214 authority, will become an indirect, wholly-owned subsidiary of NuVox.³ As consideration for the merger, each Holdings shareholder will receive shares of NuVox voting common stock at a specified exchange ratio that will provide them with approximately 50 percent of the equity and voting rights in NuVox following the merger.⁴ The existing NuVox shareholders will retain their shares and will hold the remaining 50 percent.

At present, the voting and equity interests of both Holdings and NuVox are held by numerous shareholders, and no single shareholder or group of affiliated shareholders of either company has the power on its own to elect a majority of its respective Board of Directors or to otherwise control or dominate its affairs. Following consummation of the proposed merger, three shareholders – NSHI Ventures LLC, Wachovia Capital Partners 2003, LLC and its affiliates, and M/C Venture Partners V, L.P. and its affiliates – will each hold 10 percent or more of the voting and equity interests in the combined company. Because Holdings and NuVox at present have certain overlapping shareholders, slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of Holdings, and slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of NuVox. In other words, current shareholders of Holdings (including shareholders who are also holders of the currently

³ Applications for authority to transfer control of NewSouth Communications, and to transfer control of NuVox Communications, Inc., currently an indirect, wholly-owned subsidiary of NuVox that also holds international Section 214 authority, are being filed concurrent with the submission of this Application

⁴ Each share of NuVox common stock has one (1) vote

outstanding voting securities of NuVox) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of the ultimate parent of NewSouth Communications, although the identity of that ultimate parent will change from Holdings to NuVox. Similarly, the current shareholders of NuVox (including shareholders who are also holders of the currently outstanding voting securities of Holdings) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of NuVox, which will be the ultimate parent of NewSouth Communications.⁵ Accordingly, the proposed merger will not constitute a substantive transfer of control of NuVox under the Act. Nevertheless, upon the advice of Commission staff, NuVox is presenting this transaction to the Commission for its consideration and approval should such approval be deemed appropriate.⁶

Pursuant to Sections 63.24(e)(2) and 63.18 of the Commission's Rules, NuVox sets forth the following information in support of this Application:

(a) Relevant names, addresses, and telephone numbers:

NuVox, Inc. ("NuVox")
16090 Swingley Ridge Road
Suite 500
Chesterfield, MO 63017
(636) 537-5700

⁵ Pursuant to the Agreement, the Parties have agreed that the initial Board of Directors of NuVox following the merger will consist of 13 members: 4 will be designated by current NuVox shareholders, 4 will be designated by current Holdings shareholders, and the remaining seats will be filled by the existing Chairman and Chief Executive Officer of NuVox, the existing President and Chief Executive Officer of Holdings, and 3 independent Directors (with 1 designated by NuVox shareholders, 1 designated by Holdings shareholders, and 1 selected by the Board). In subsequent elections following consummation of the merger, directors will be designated as provided above and pursuant to a Stockholders Agreement and elected by vote of the holders of the outstanding voting securities of NuVox pursuant to a voting agreement set forth in such Stockholders Agreement.

⁶ NuVox reserves its right to challenge any determination by the Commission that any or all of the merger transactions require prior approval.

- (b) NuVox is a corporation organized under the laws of the State of Delaware.
- (c) Correspondence concerning this Application should be sent to:

Hamilton E. Russell, III
Vice President – Southeast Legal and Regulatory Affairs
NuVox Communications, Inc.
301 North Main Street, Suite 5000
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with copies of any correspondence to:

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive, Suite 1200
Vienna, VA 22182
Telephone: (703) 918-2300
Fax: (703) 918-2450
grifj@kelleydrye.com

- (d) NuVox was authorized to provide switched and private-line services on a facilities-based and resale basis pursuant to the authorization granted in File No. ITC-214-19990323-00165; its wholly-owned, indirect subsidiary, NuVox Communications, Inc., was authorized to provide switched and private-line services on a resale basis pursuant to the authorization granted in File No. ITC-214-19991119-00742.
- (e) Not applicable.
- (f) Not applicable.
- (g) Not applicable.
- (h) The following entities will hold a 10 percent or greater ownership interest in NuVox after consummation of the merger.

NSHI. NSHI Ventures LLC (“Ventures”) is a Delaware limited liability company that will hold 17.5 percent of the voting and equity interests in NuVox after consummation of the merger. Ventures is currently an shareholder in NewSouth Holdings, Inc. (“Holdings”); it has no other business interests. Ventures’ address is c/o Kohlberg Kravis Roberts & Co. L.P., 2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025 Ventures’ managing member and 98 percent owner is KKR 1996

Fund L.P., a Delaware limited partnership ("Fund L.P."), located at 9 West 57th Street, New York, NY 10019. This is an investment fund with the two largest limited partnership interests of approximately 13 percent each being held by two state retirement funds. The sole general partner of Fund L.P. is KKR Associates 1996 L.P., a Delaware limited partnership ("Associates L.P.") The sole general partner of Associates L.P. is KKR 1996 GP LLC, a Delaware limited liability company, whose managers are Henry R. Kravis and George R. Roberts. The address of each of the above-mentioned individuals and entities other than Ventures is 9 West 57th Street, New York, NY 10019, and the principal business of each of the above-mentioned entities and individuals is investment. No other partner, general or limited, holds a 10 percent or greater interest in Fund L.P. All of the above entities are affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), a private investment firm that makes equity investments through various entities for itself and its shareholders. For additional information about KKR, please see its website at www.kkr.com.

Wachovia. Wachovia Capital Partners 2003, LLC ("WCP"), a North Carolina limited liability company, is a subsidiary of Wachovia Investors, Inc., a North Carolina corporation. The principal place of business of WCP and Wachovia Investors, Inc. is One Wachovia Center, 301 South College Street, Charlotte, NC. Wachovia Investors, Inc. is a wholly-owned subsidiary of Wachovia Corporation, a multi-bank holding company traded on the New York Stock Exchange under the WB symbol. WCP was created to own several investments on behalf of WCP. WCP and its affiliates will hold 11.5 percent of the voting and equity interests in NuVox after consummation of the merger.

M/C Partners. M/C Venture Partners V, L.P. ("MC Partners") is a Delaware limited partnership. Its address is 75 State Street, Suite 2500, Boston, MA 02109. Two state retirement funds hold a 13.6 percent and 11.8 percent interest respectively in MC Partners. MC Partners is controlled by its general partner, M/C VP V, L.L.C., a Massachusetts limited liability company located at the same address as MC Partners. The managers of M/C VP V, L.L.C. are James F. Wade, David D. Croll, Peter H. O. Claudy, John W. Watkins, John Van Hooser, John P. Ward, and Matthew J. Rubins. MC affiliates invested in NewSouth include Chestnut Venture Partners, L.P. ("Chestnut") and M/C Venture Investors L.L.C., both located at the same address as MC Partners. Chestnut is a Delaware limited partnership controlled by its general partner, Chestnut Street Partners, Inc., whose President and sole shareholder is David D. Croll. M/C Venture Investors is controlled by its managers: James F. Wade, David D. Croll, Peter H.O. Claudy, and Matthew J. Rubins. All of the above-mentioned individuals are U.S. citizens. The principal business of each of the above-mentioned individuals and entities is investment, and the address of each is 75 State Street, Suite 2500, Boston, MA 02109. MC Partners and its affiliates will hold 10.1 percent of the voting and equity interests in NuVox after consummation of the merger.

No other shareholders will hold 10 percent or more of the voting and equity interests in NuVox after consummation of the merger.

Diagrams showing the ownership structure of NuVox and related parties before and after closing are provided in Attachment 1.

It is not currently anticipated that there will be any interlocking directorates with foreign carriers. NuVox will amend or supplement this Application if any interlocking directorates are selected.

- (i) As evidenced by the signature to this Application, NuVox certifies that following consummation of the transactions contemplated by the Agreement, NuVox will not be a foreign carrier, nor will NuVox be affiliated with a foreign carrier.
- (j) As evidenced by the signature to this Application, NuVox certifies that following consummation of the transactions contemplated by the Agreement and with respect to each country to which NuVox is authorized to provide service, 1) NuVox is not a foreign carrier in that country; 2) NuVox will not control a foreign carrier in that country; 3) no entity that will own more than 25 percent of NuVox, or will control NuVox, controls a foreign carrier in that country; and 4) two or more foreign carriers (or parties that control foreign carriers) which are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the U.S. will not own, in the aggregate, more than 25 percent of NuVox.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) As evidenced by the signature to this Application, NuVox certifies that no party to this Application will accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market, and no party to this Application will enter into such agreements in the future.
- (o) As evidenced by the signature to this Application, NuVox certifies that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

- (p) Streamlined processing is requested for this Application. This Application is eligible for streamlined processing under Section 63.12 of the Commission's Rules because 1) there are no affiliations with foreign carriers, 2) there are no affiliations with dominant U.S. foreign carriers whose international switched or private line services will be resold, and 3) no authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines is requested in this Application.

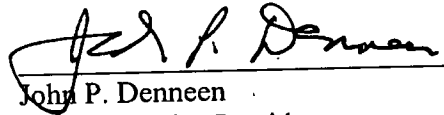
Assuming that the transactions described herein constitute a substantive transfer of control requiring Commission approval, NuVox represents that control will not transfer unless and until the Commission grants the related domestic and international Section 214 applications for transfer of control authority, and agrees that streamlined grant of this Application will in no way prejudice the outcome of the related transfer applications. See "International Authorizations Granted," Report No. TEL-00495, DA No. 02-358, released February 14, 2002, at 2 (grant of CEI Networks, Inc. transfer of control application in File No. ITC-T/C-20011227-00655).

For the foregoing reasons, NuVox respectfully requests that the Commission grant this Application as expeditiously as possible

Respectfully submitted,

NuVOX, INC.

By:



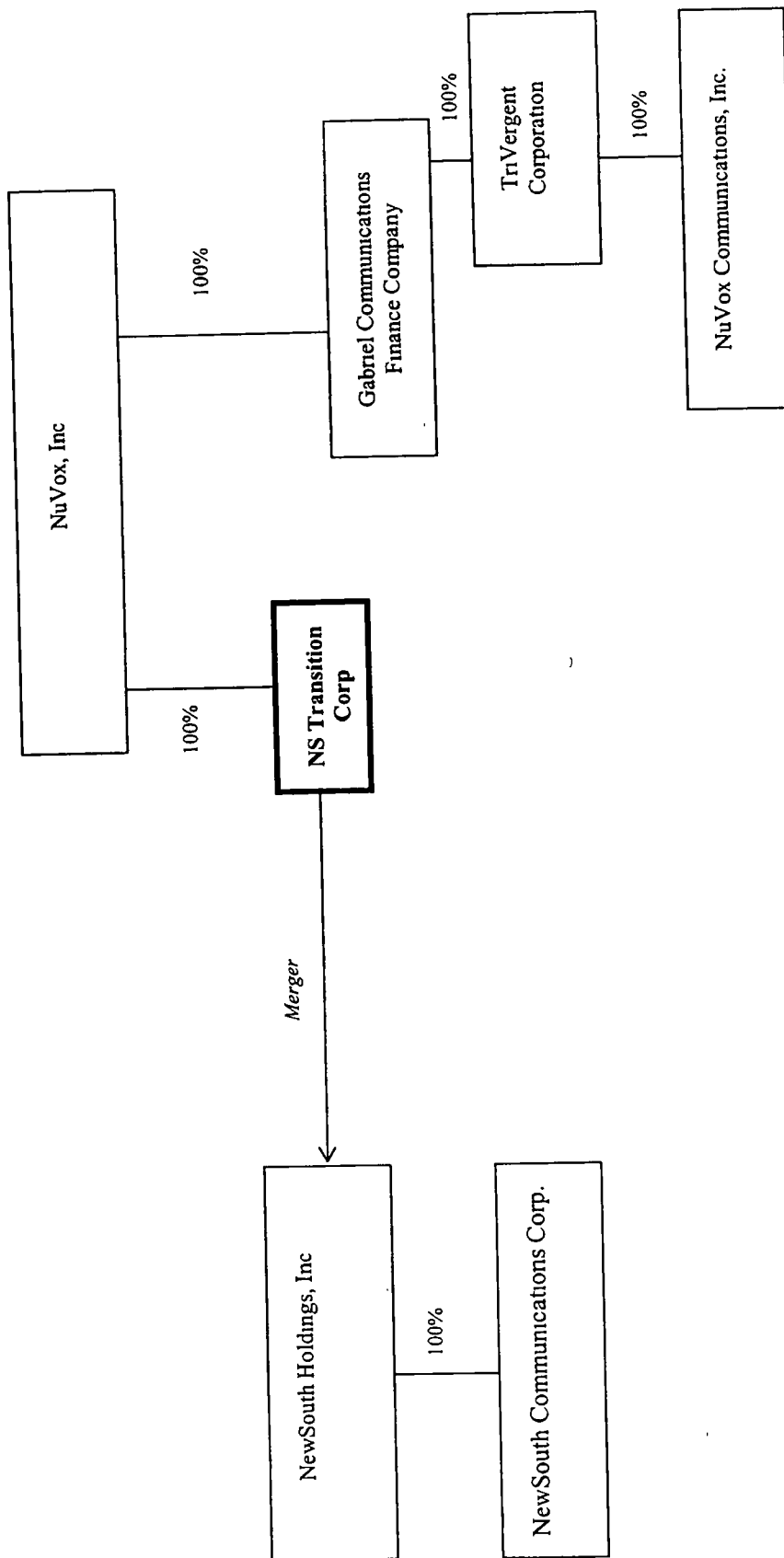
John P. Denneen
Executive Vice President
NUVOX, INC.
16090 Swingley Ridge Road
Chesterfield, MO 63017
(636) 537-5700

Joan M Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

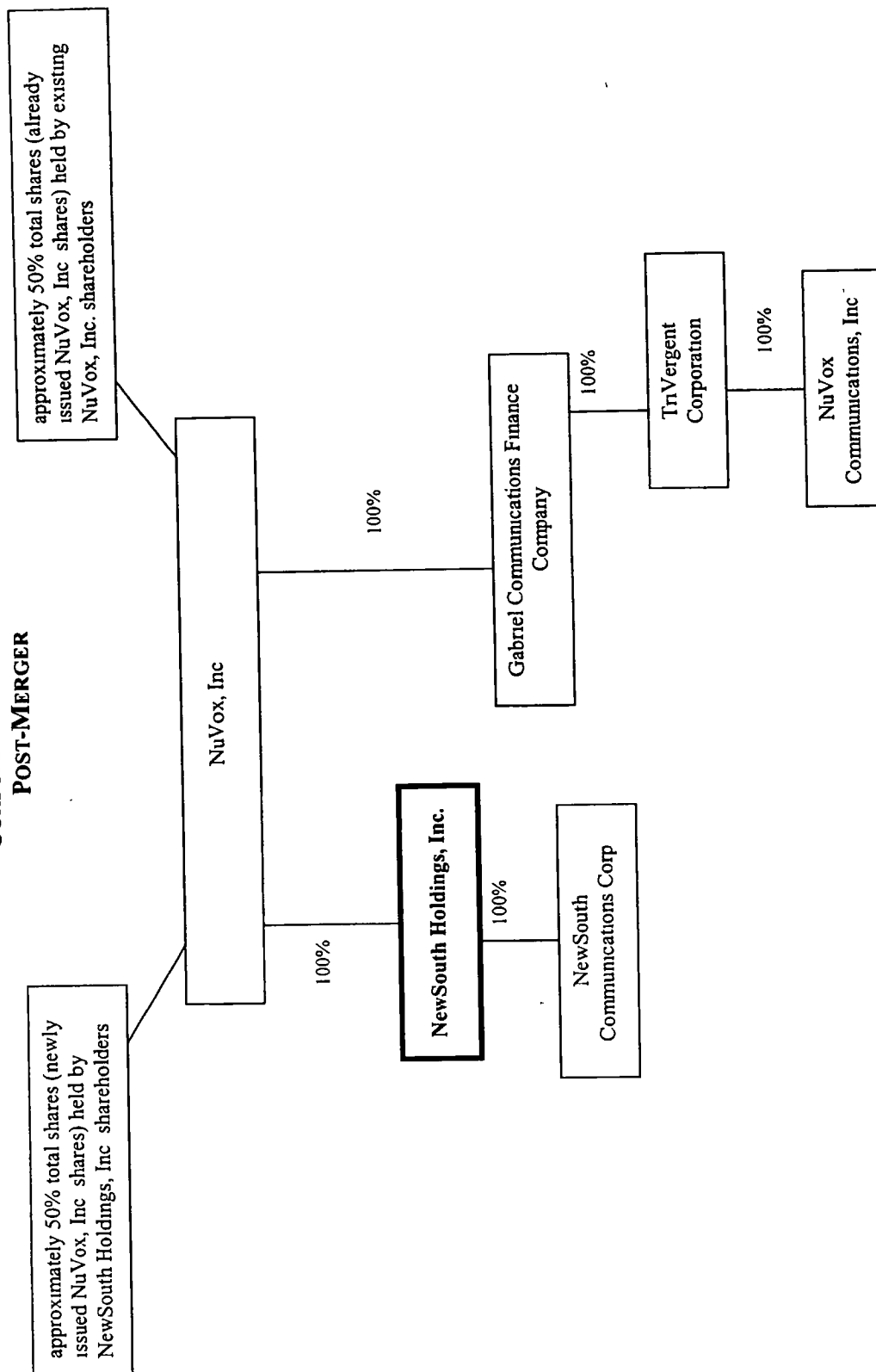
Its Attorney

Date: March 3, 2004

**CORPORATE STRUCTURE
PRE-MERGER**



**CORPORATE STRUCTURE
POST-MERGER**



**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

NUVOX COMMUNICATIONS, INC.

**Application For Consent To Transfer
Control Of A Company Holding An
International Section 214 Authorization
Pursuant To Section 214 Of The
Communications Act**

File No. _____

APPLICATION FOR TRANSFER OF CONTROL

NuVox, Inc. ("NuVox"), and NuVox Communications, Inc. ("NuVox Communications") (collectively, the "Parties"), pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act")¹ and Section 63.24 of the Commission's Rules,² hereby request the Commission's consent, to the extent necessary, to the transfer of control of NuVox Communications resulting from a proposed merger of equals transaction more fully described below. NuVox Communications currently provides international telecommunications services on a resale basis pursuant to global authority granted in File No. ITC-214-19991119-00742.

Pursuant to an Agreement and Plan of Merger dated as of February 24, 2004 ("Agreement"), by and among NuVox, NewSouth Holdings, Inc. ("Holdings"), and NS Transition Corp. (a newly-formed, wholly-owned Delaware shell subsidiary of NuVox), NS Transition Corp. will be merged with and into Holdings, with Holdings surviving and becoming

¹ 47 U.S.C. § 214.

² 47 CFR § 63.24.

a direct, wholly-owned subsidiary of NuVox. NewSouth Communications Corp. ("NewSouth Communications), a direct, wholly-owned subsidiary of Holdings which also holds international Section 214 authority, will become an indirect, wholly-owned subsidiary of NuVox.³ As consideration for the merger, each Holdings shareholder will receive shares of NuVox voting common stock at a specified exchange ratio that will provide them with approximately 50 percent of the equity and voting rights in NuVox following the merger.⁴ The existing NuVox shareholders will retain their shares and will hold the remaining 50 percent.

At present, the voting and equity interests of both Holdings and NuVox are held by numerous shareholders, and no single shareholder or group of affiliated shareholders of either company has the power on its own to elect a majority of its respective Board of Directors or to otherwise control or dominate its affairs. Following consummation of the proposed merger, three shareholders – NSHI Ventures LLC, Wachovia Capital Partners 2003, LLC. and its affiliates, and M/C Venture Partners V, L.P. and its affiliates – each will hold 10 percent or more of the voting and equity interests in the combined company. Because Holdings and NuVox at present have certain overlapping shareholders, slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of Holdings, and slightly over 50 percent of the outstanding equity and voting securities of the combined company will be held by the existing shareholders of NuVox. In other words, current shareholders of Holdings (including shareholders who are also holders of the currently outstanding voting securities of NuVox) hold at this time, and will continue to hold, over 50

³ Applications for authority to transfer control of NewSouth Communications and NuVox (which also holds international Section 214 authority) are being filed concurrent with the submission of this Application

⁴ Each share of NuVox common stock has one (1) vote

percent of the voting and equity interests of the ultimate parent of NewSouth Communications, although the identity of that ultimate parent will change from Holdings to NuVox. Similarly, the current shareholders of NuVox (including shareholders who are also holders of the currently outstanding voting securities of Holdings) hold at this time, and will continue to hold, over 50 percent of the voting and equity interests of NuVox, which will be the ultimate parent of NewSouth Communications and NuVox Communications.⁵ Accordingly, the proposed merger will not constitute a substantive transfer of control of NuVox Communications under the Act. Nevertheless, upon the advice of Commission staff, the Parties are presenting this transaction to the Commission for its consideration and approval should such approval be deemed appropriate.⁶

Pursuant to Sections 63.24(e)(2) and 63.18 of the Commission's Rules, the Parties set forth the following information in support of this Application:

(a) Relevant names, addresses, and telephone numbers:

NuVox, Inc. ("NuVox")
16090 Swingley Ridge Road
Suite 500
Chesterfield, MO 63017
(636) 537-5700

⁵ Pursuant to the Agreement, the Parties have agreed that the initial Board of Directors of NuVox following the merger will consist of 13 members: 4 will be designated by current NuVox shareholders, 4 will be designated by current Holdings shareholders, and the remaining seats will be filled by the existing Chairman and Chief Executive Officer of NuVox, the existing President and Chief Executive Officer of Holdings, and 3 independent Directors (with 1 designated by NuVox shareholders, 1 designated by Holdings shareholders, and 1 selected by the Board). In subsequent elections following consummation of the merger, directors will be designated as provided above and pursuant to a Stockholders Agreement and elected by vote of the holders of the outstanding voting securities of NuVox pursuant to a voting agreement set forth in the Stockholders Agreement.

⁶ The Parties reserve the right to challenge any determination by the Commission that any or all of the merger transactions require prior approval

NuVox Communications, Inc. ("NuVox Communications")
16090 Swingley Ridge Road
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Chesterfield, MO 63017
(636) 537-5700

- (b) NuVox is a corporation organized under the laws of the State of Delaware. NuVox Communications is a corporation organized under the laws of the State of South Carolina.
- (c) Correspondence concerning this Application should be sent to:

Hamilton E. Russell, III
Vice President – Southeast Legal and Regulatory Affairs
NuVox Communications, Inc.
301 North Main Street, Suite 5000
Greenville, SC 29601
Telephone: (864) 331-7323
Fax: (864) 331-1236

with copies of any correspondence to:

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive, Suite 1200
Vienna, VA 22182
Telephone: (703) 918-2300
Fax: (703) 918-2450
grifi@kelleydrye.com

- (d) NuVox Communications, Inc. was authorized to provide switched and private-line services on a resale basis pursuant to the authorization granted in File No. ITC-214-19991119-00742; its parent company, NuVox, was authorized to provide switched and private-line services on a facilities-based and resale basis pursuant to the authorization granted in File No. ITC-214-19990323-00165.
- (e) Not applicable.
- (f) Not applicable.
- (g) Not applicable.

- (h) NuVox Communications is an indirectly, wholly-owned subsidiary of NuVox, whose principal business is the provision of telecommunications services and whose address appears in item (a) above. NuVox Communications is a wholly-owned subsidiary of TriVergent Corporation ("TriVergent"), which is a wholly-owned subsidiary of Gabriel Communications Finance Company ("Gabriel Communications Finance"). Gabriel Communications Finance is a wholly-owned subsidiary of NuVox. TriVergent and Gabriel Communications Finance are Delaware corporations with address at 16090 Swingley Ridge Road, Suite 500, Chesterfield, MO 63017; each of these companies is a holding company.

The following entities will hold a 10 percent or greater ownership interest in NuVox after consummation of the merger.

NSHI. NSHI Ventures LLC ("Ventures") is a Delaware limited liability company that will hold 17.5 percent of the voting and equity interests in NuVox after consummation of the merger. Ventures is currently a shareholder in NewSouth Holdings, Inc. ("Holdings"); it has no other business interests. Ventures' address is c/o Kohlberg Kravis Roberts & Co. L.P., 2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025. Ventures' managing member and 98 percent owner is KKR 1996 Fund L.P., a Delaware limited partnership ("Fund L.P."), located at 9 West 57th Street, New York, NY 10019. This is an investment fund with the two largest limited partnership interests of approximately 13 percent each being held by two state retirement funds. The sole general partner of Fund L.P. is KKR Associates 1996 L.P., a Delaware limited partnership ("Associates L.P.") The sole general partner of Associates L.P. is KKR 1996 GP LLC, a Delaware limited liability company, whose managers are Henry R. Kravis and George R. Roberts. The address of each of the above-mentioned individuals and entities other than Ventures is 9 West 57th Street, New York, NY 10019, and the principal business of each of the above-mentioned entities and individuals is investment. No other partner, general or limited, holds a 10 percent or greater interest in Fund L.P. All of the above entities are affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), a private investment firm that makes equity investments through various entities for itself and its shareholders. For additional information about KKR, please see its website at www.kkr.com

Wachovia Wachovia Capital Partners 2003, LLC ("WCP"), a North Carolina limited liability company, is a subsidiary of Wachovia Investors, Inc., a North Carolina corporation. The principal place of business of WCP and Wachovia Investors, Inc. is One Wachovia Center, 301 South College Street, Charlotte, NC. Wachovia Investors, Inc. is a wholly-owned subsidiary of Wachovia Corporation, a multi-bank holding company traded on the New York Stock Exchange under the WB symbol. WCP was created to own several investments on behalf of WCP. WCP and its affiliates will hold 11.5 percent of the voting and equity interests in NuVox after consummation of the merger.

M/C Partners. M/C Venture Partners V, L.P. ("MC Partners") is a Delaware limited partnership. Its address is 75 State Street, Suite 2500, Boston, MA 02109. Two state retirement funds hold a 13.6 percent and 11.8 percent interest respectively in MC Partners. MC Partners is controlled by its general partner, M/C VP V, L.L.C., a Massachusetts limited liability company located at the same address as MC Partners. The managers of M/C VP V, L.L.C. are James F. Wade, David D. Croll, Peter H.O. Claudy, John W. Watkins, John Van Hooser, John P. Ward, and Matthew J. Rubins. MC affiliates invested in NewSouth include Chestnut Venture Partners, L.P. ("Chestnut") and M/C Venture Investors L.L.C., both located at the same address as MC Partners. Chestnut is a Delaware limited partnership controlled by its general partner, Chestnut Street Partners, Inc., whose President and sole shareholder is David D. Croll. M/C Venture Investors is controlled by its managers: James F. Wade, David D. Croll, Peter H.O. Claudy, and Matthew J. Rubins. All of the above-mentioned individuals are U.S. citizens. The principal business of each of the above-mentioned individuals and entities is investment, and the address of each is 75 State Street, Suite 2500, Boston, MA 02109. MC Partners and its affiliates will hold 10.1 percent of the voting and equity interests in NuVox after consummation of the merger.

No other shareholders will hold 10 percent or more of the voting and equity interests in NuVox after consummation of the merger.

Diagrams showing the ownership structure of NuVox Communications and related parties before and after closing are provided in Attachment 1.

It is not currently anticipated that there will be any interlocking directorates with foreign carriers. NuVox Communications will amend or supplement this Application if any interlocking directorates are selected.

- (i) As evidenced by the signatures to this Application, the Parties certify that following consummation of the transactions contemplated by the Agreement, NuVox Communications will not be a foreign carrier, nor will NuVox Communications be affiliated with a foreign carrier.
- (j) As evidenced by the signatures to this Application, the Parties certify that following consummation of the transactions contemplated by the Agreement and with respect to each country to which NuVox Communications is authorized to provide service, 1) NuVox Communications is not a foreign carrier in that country; 2) NuVox Communications will not control a foreign carrier in that country; 3) no entity that will own more than 25 percent of NuVox Communications, or will control NuVox Communications, controls a foreign carrier in that country; and 4) two or more foreign carriers (or parties that control foreign carriers) which are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the U.S. will not own, in the aggregate, more than 25 percent of NuVox Communications.

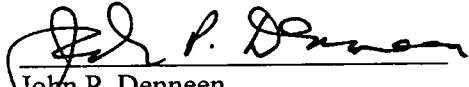
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) As evidenced by the signatures to this Application, the Parties certify that no party to this Application will accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market, and no party to this Application will enter into such agreements in the future.
- (o) As evidenced by the signatures to this Application, the Parties certify that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Streamlined processing is requested for this Application. This Application is eligible for streamlined processing under Section 63.12 of the Commission's Rules because 1) there are no affiliations with foreign carriers, 2) there are no affiliations with dominant U.S. foreign carriers whose international switched or private line services will be resold, and 3) no authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines is requested in this Application.

Assuming that the transactions described herein constitute a substantive transfer of control requiring Commission approval, the Parties represent that control will not transfer unless and until the Commission grants the related domestic and international Section 214 applications for transfer of control authority, and agrees that streamlined grant of this Application will in no way prejudice the outcome of the related transfer applications. *See* "International Authorizations Granted," Report No. TEL-00495, DA No 02-358, released February 14, 2002, at 2 (grant of CEI Networks, Inc transfer of control application in File No. ITC-T/C-20011227-00655).

For the foregoing reasons, the Parties respectfully request that the Commission grant this Application as expeditiously as possible.

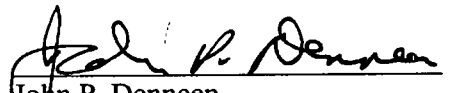
Respectfully submitted,

NUVOX, INC.

By: 
John P. Denneen
Executive Vice President
NUVOX, INC.
16090 Swingley Ridge Road
Chesterfield, MO 63017
(636) 537-5700

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

NUVOX COMMUNICATIONS, INC.

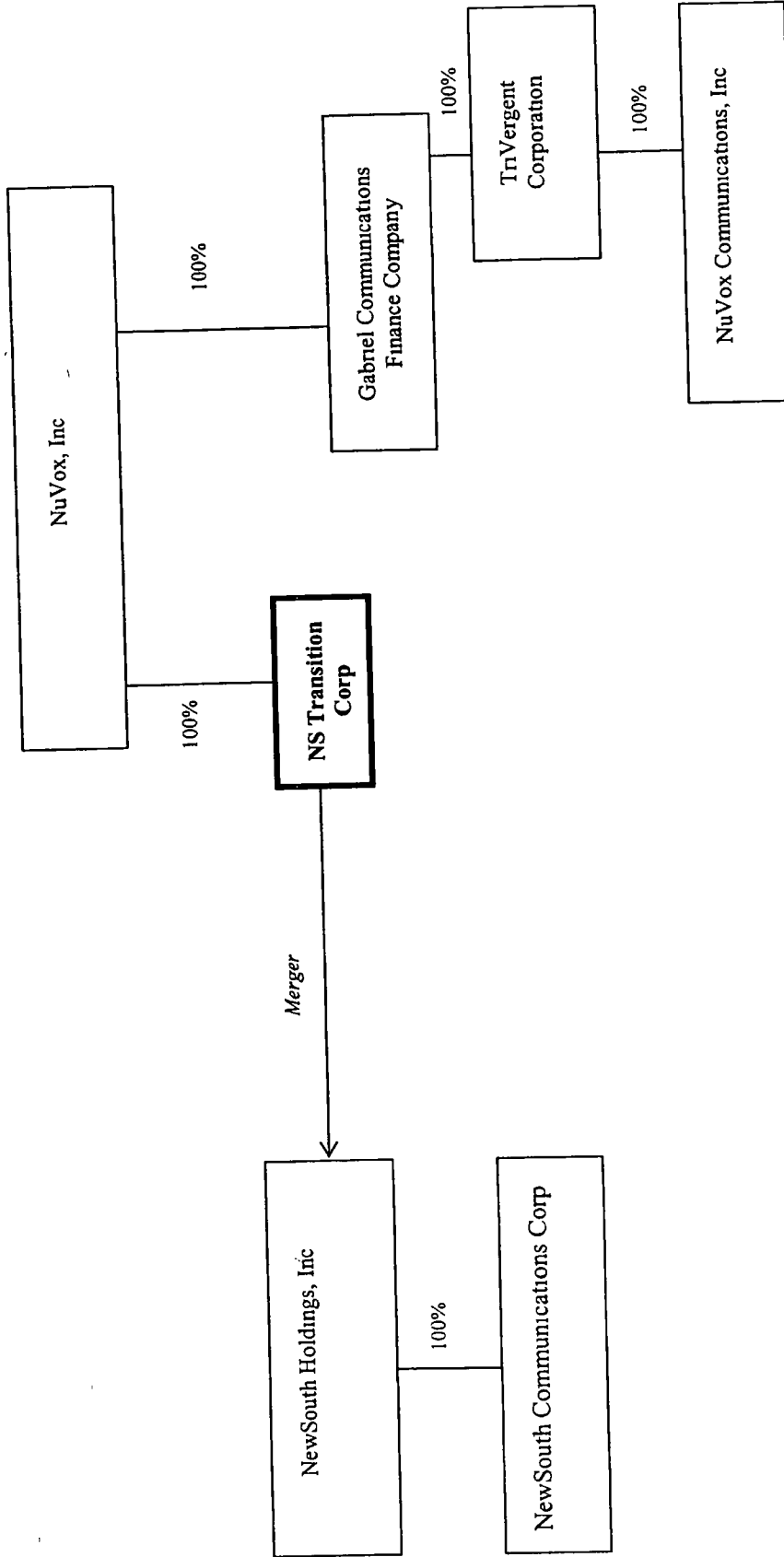
By: 
John P. Denneen
Executive Vice President
NUVOX COMMUNICATIONS, INC.
16090 Swingley Ridge Road
Chesterfield, MO 63017
(636) 537-5700

Joan M. Griffin, Esq.
KELLEY DRYE & WARREN LLP
8000 Towers Crescent Drive
Suite 1200
Vienna, VA 22182
(703) 918-2320

Their Attorney

Date: March 3, 2004

**CORPORATE STRUCTURE
PRE-MERGER**



CORPORATE STRUCTURE POST-MERGER

